

***El Departamento de Estadística del ITAM***

anuncia la siguiente sesión de

***EL SEMINARIO ALEATORIO***

que con el título

***LONG MEMORY STOCHASTIC VOLATILITY  
MODELS OF LATIN AMERICAN STOCK MARKETS***

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***ABSTRACT***

This study investigated the long memory property in the volatility of the stock market indices of the six largest and least restrictive Latin American markets, as well as that of the United States. The application of the long memory model, associated with fractional integration via the operator  $(1-L)^d$  and noninteger  $d$ , allows flexible modeling of low-frequency behavior with important implications for the measurement of long memory in the volatility. Evidence for long memory of the volatility is found in the stock market for Argentina, Brazil, Chile, Mexico and the United States, while the volatility of the stock markets in Colombia and Venezuela does not present long memory in their volatilities. These findings indicate that the Colombia and Venezuelas stock market volatilities are stationary, thus, external shocks in these markets can have a short-term impact, but little long term effect, as the volatility reverts to its mean at an exponential rate. On the other hand, the volatility of the stock markets in Argentina, Brazil, Chile, Mexico and the United States is fractionally integrated, therefore, these stock markets volatility do not return to the previous mean after an external shock has been felt.

**Este seminario será dictado en español.**

***Fecha: Martes 24 de Octubre***

***Hora: 10:00***

***Salón: 308***

*El Seminario Aleatorio está destinado tanto a profesores como a estudiantes, por lo que el Departamento de Estadística agradece a los profesores que colaboren invitando a sus alumnos a estas sesiones.*